



10 DOWNING STREET  
LONDON SW1A 2AA

9 February 2016

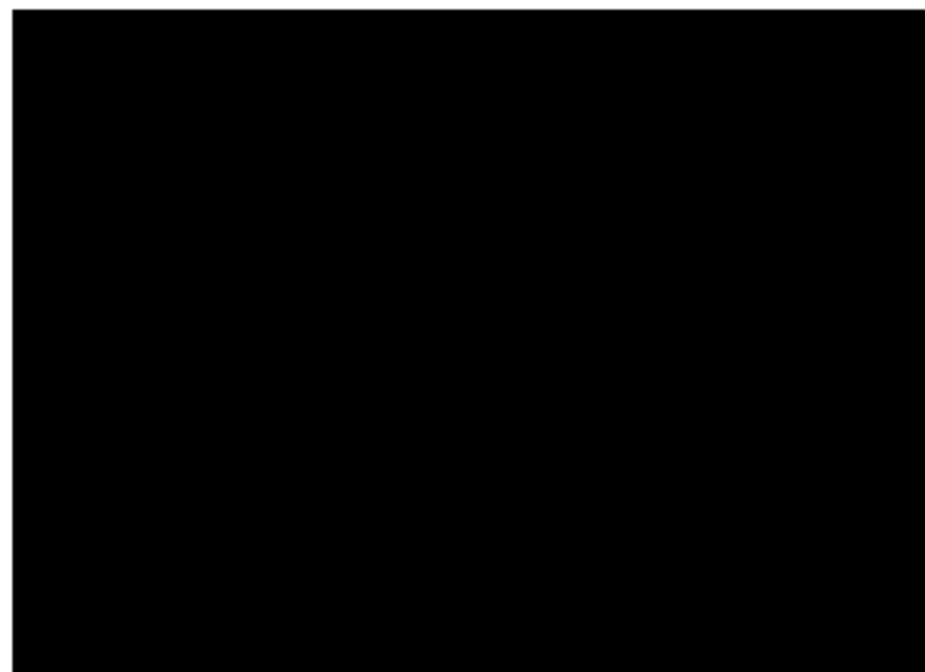
THE PRIME MINISTER

*Dear Andrew,*

At Prime Minister's Questions on 3 February you asked about Government support for the Isle of Wight so that it can set a balanced budget next year.

I recognise the particular challenges faced by the Island and the Minister for Local Government, Marcus Jones, has already shared some of your concerns with me. I understand that arrangements are being made for senior officials from the Department for Communities and Local Government to visit your council to continue discussions about the Isle of Wight's unique situation and its finance in future years.

In my answer to you, I said that spending power will increase slightly in the next year when, of course, I meant that spending power would rise slightly over the next five years. As I said, the local government settlement is relatively flat in cash terms over the five years and that is why we are also giving councils the flexibility to use the receipts from the sale of land and property to help deliver transformation.



Mr Andrew Turner MP